

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

JARED STAAL, derivatively on behalf of)	
K12 INC.,)	
)	
Plaintiff,)	Civil Action No. 12-365
)	Judge Sue L. Robinson
v.)	
)	
ANDREW H. TISCH, RONALD J.)	
PACKARD, CRAIG R. BARRETT,)	
GUILLERMO BRON, NATHANIEL A.)	
DAVIS, STEVEN B. FINK, MARY H.)	
FUTRELL, and JON Q. REYNOLDS,)	
)	
)	
Defendants,)	
)	
and)	
)	
K12 INC., a Delaware Corporation,)	
)	
Nominal Defendant.)	
)	
)	
)	

**STIPULATION AND ORDER REGARDING ACCEPTANCE OF SERVICE AND
STAY OF PROCEEDINGS**

WHEREAS, on January 30, 2012, David Hoppaugh filed a complaint captioned *Hoppaugh v. K12 Inc., et al.*, Civil Action No.: 1:12-cv-00103-CMH-IDD, a purported securities fraud class action (the “Securities Lawsuit”) currently pending in the United States District Court for the Eastern District of Virginia before the Honorable Claude M. Hilton;

WHEREAS, Plaintiff Jared Staal filed his Plaintiff’s Shareholder Derivative Complaint (“Complaint”) in this Court on March 21, 2012;

WHEREAS, counsel for defendants Andrew H. Tisch, Ronald J. Packard, Craig R. Barrett, Guillermo Bron, Nathaniel A. Davis, Steven B. Fink, Mary H. Futrell, Jon Q. Reynolds

and K12 Inc. (collectively, “Defendants”) has received a copy of Plaintiff’s Shareholder Derivative Complaint;

WHEREAS, motions to appoint a lead plaintiff were filed in the Securities Lawsuit on or about April 2, 2012 and are scheduled for a hearing on May 11, 2012;

WHEREAS, K12, Inc. and the other defendants in the Securities Lawsuit expect that, once a lead plaintiff is appointed by the Court, the lead plaintiff will file an amended complaint and defendants are likely to file motions to dismiss the Securities Lawsuit;

WHEREAS, the wrongdoing alleged in the Complaint relates at least in part to alleged violations of the federal securities laws that are at issue in the Securities Lawsuit;

WHEREAS, the Parties agree that the outcome of the motions to dismiss the Securities Lawsuit may help inform the manner in which this action proceeds;

WHEREAS, the Parties agree that the interests of justice, efficient case management, and conservation of judicial and Court resources will be served by deferring all proceedings and continuing all responsive dates in this action until after a ruling on defendants’ anticipated motions to dismiss the Securities Lawsuit.

IT IS HEREBY STIPULATED AND AGREED, by and among the parties, through their respective undersigned counsel, that:

1. Defendants’ counsel Latham & Watkins LLP accepts service of the Complaint on behalf of each Defendant as of the date of this stipulation.
2. By accepting service of the Complaint, the Defendants do not waive and expressly reserve all defenses or objections to the lawsuit, the court’s jurisdiction, and the venue of the action, but Defendants waive any objections to the absence of a summons or of service.

3. The parties have agreed that until such time as any motions to dismiss in the Securities Lawsuit are decided, all matters in this case, including without limitation Defendants' response to the Complaint and all discovery, should be stayed.

4. After the stay in this action is lifted, the Parties will meet and confer concerning a reasonable schedule for responding to the Complaint or an amended pleading, as the case may be, which the Parties will present to the Court by subsequent stipulation.

Dated: April 25, 2012

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Attorneys for Defendants

SO ORDERED:

The Honorable Sue L. Robinson

DATED: April __, 2012